

United States Department of the Interior

BUREAU OF LAND MANAGEMENT

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In Reply To:

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EMAIL TRANSMISSION - 11/18/05
Information Bulletin No. MT-2006-017

To: All Montana/Dakotas Employees

From: Deputy State Director, Division of Support Services

Subject: Federal Flexible Spending Account Program (FSAFEDS) Open Season

The FSAFEDS open season is from November 14 through December 12, 2005. Enrollments in FSAFEDS do not carry over from year to year. Employees wishing to contribute to FSAFEDS for 2006 must make a new enrollment during open season.

The FSAFEDS offers two different flexible spending accounts (FSAs): a health care flexible spending account (HCFSA), and a dependent care flexible spending account (DCFSA). The HCFSA maximum contribution for 2006 will be \$5,000. The DCFSA maximum contribution is \$5,000 per year, \$2,500 if married filing a separate return. If you are married, the \$5,000 limit must be observed by you and your spouse where both individuals have access to an FSA.

Eligible employees who wish to enroll during this open season for the 2006 plan year may do so in one of two ways:

- through the website at www.FSAFEDS.com by clicking on the "Enroll" link; or
- by contacting an FSAFEDS benefits counselor Monday through Friday from 9:00 a.m. to 9:00 p.m. Eastern time at 1-877-FSAFEDS (372-3337), TTY 1-800-952-0450.

Effective date of FSAFEDS open season enrollments:

Open season enrollments are effective on January 1, 2006, for the Plan Year that runs from January 1, 2006, through December 31, 2006.

Announcements:

Mileage Rate Increase

The reimbursable mileage rate that employees can claim for obtaining health care has increased from \$0.15 to \$0.22 per mile. The new \$0.22 rate is in effect from September through December 2005. [Click here](#) to learn more about using this benefit.

Grace Period Implemented for Incurring Eligible Expenses

Employees now have until March 15 of the following year to incur eligible expenses for the current Plan Year. While this does not eliminate the use-it-or-lose-it rule completely, employees now have a great advantage to avoid forfeiting unused funds.

If you have a balance remaining in your Health and/or Dependent Care FSA account as of December 31, you can use those funds for eligible expenses incurred from January 1 through March 15 of the following year. This is effective immediately, so for the 2005 Plan Year, you have until March 15, 2006, to incur eligible expenses. If your 2005 balance is not sufficient to reimburse you in full for expenses incurred through March 15, 2006, the unpaid balance will be paid out of your 2006 account if you re-enrolled during Open Season. If you do not re-enroll, you cannot be reimbursed in full for those expenses.

Deadline Extended For Submitting Eligible Expenses to FSAFEDS

The deadline for submitting claims for eligible expenses has been pushed back to accommodate the grace period change. Employees now have until May 31 following the end of the Plan Year to submit claims for eligible expenses incurred through March 15.

More information about FSAFEDS is available at <https://www.fsafeds.com>.

If you have any questions regarding this memorandum, please contact Connie Raynock, Verlaine Van Atta, or Cheri Diaz, Human Resource Assistants, in MT-933, at 406-896-5229/5233/5226.

Signed by: Deborah M. DeBock, for Sandra C. Berain

Authenticated by: Jean M. Schaak (MT-933)